

535 Griswold Street, Suite 200, Detroit MI 48226 PHONE: 313.226.9465 • FAX: 313.963.2777

Dear Chairman Nofs and Members of the Senate Energy & Technology Committee:

As members of the Senate Energy & Technology Committee, you have an incredibly important task before you as you work to determine Michigan's energy future.

I know you have heard from a number of organizations whose representatives have testified before your committee, but the voice of Michigan's vulnerable residents has been sorely missed. That is why I am writing – on behalf of ALL Michigan residents, but in particular on behalf of those whose voices have not been heard.

At The Heat and Warmth Fund (THAW), we see the impact utility bills can have on vulnerable Michigan households and families across Michigan. According to United Way, 40% of households across Michigan struggle to afford the basic necessities of housing, including energy. If a utility bill is even just a few dollars over budget, it can spell disaster for a struggling family. If service is interrupted during Michigan's harsh winter months, the results can be fatal.

Fortunately, hometown utilities like DTE, Consumers Energy, SEMCO and others are committed to the people in our state. These Michigan-based companies employ Michigan residents – many of whom would otherwise be vulnerable, they operate their own Payment Assistance Plans to help customers with their utility bills, as well as support organizations like THAW with company dollars to support utility assistance programs for at-risk families. This alone sets them apart from out-of-state energy marketers that operate in deregulated markets, with no commitment to the communities in which they operate.

Under Michigan's current system of partial deregulation, customers who get their power from hometown utilities are being forced to unfairly subsidize the costs for grid maintenance and reliability. Michigan based utility companies have testified that returning Michigan to full responsible regulation would mean a four-percent reduction in rates. While I am not qualified to confirm that statement, I can assure you that for a family on the edge every penny counts.

I don't need to tell you what you already know about rate volatility, decreased reliability, the looming electric capacity shortfall, etc. You have heard all of that from state and national experts. What I do need to tell you is that you have vulnerable constituents in your own district who are counting on you to do the right thing, protecting them from all of the uncertainty of a deregulated electric market.



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In every county in Michigan at least 27% of households are living below the minimum standards of living. I ask you to consider the impact unfair subsidies, a volatile market and limited access to power would have on the 27% or more households in the counties you serve. Please pass legislation that will ensure that power is reliable and accessible for *all* Michigan households and families.

The stakes are too high to risk giving control of our state's energy future to those who have no stake in our communities. Lansing lawmakers must enact a new policy to ensure reliable and affordable power for all. I urge you to support this legislation.

Sincerely,

Saunteel Jenkins, CEO